tax exemptions wherever necessary, plugging leakage of revenue through strengthening anti-smuggling and anti-evasion measures, monitoring and disseminating international prices of imported commodities and simplification of tax collection procedures to improve tax compliance.

Merger of Nedungadi Bank with PNB

663. SHRI J. CHITHARANJAN:
SHRI V.V. RAGHAVAN:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that the Nedungadi Bank has been merged with the Punjab National Bank; and

(b) if so, the terms and conditions of the merger agreement and since when it has become effective?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) The scheme of amalgamation of Nedungadi Bank Ltd. (NBL) with Punjab National Bank (PNB) came into effect from 1st February, 2003. The terms and conditions of the scheme *inter-alia* include that:—

(i) The business, properties, assets and liabilities of NBL shall stand transferred to PNB;

(ii) All contracts, deeds, bonds, agreements, powers of attorney etc. having effect immediately before the date of amalgamation, shall be effective and may be acted upon as if PNB had been a party thereto or as if it had been issued in favour of NBL;

(iii) Any suit, appeal, legal proceedings pending shall not abate, be discontinued or be prejudicially affected but shall be prosecuted and enforced by or against the transferee bank.;

(iv) The books of NBL shall be closed and balanced and balance sheet prepared at the close of business on the date immediately preceding imposition of moratorium and the balance sheet shall be got audited and certified;

(v) PNB shall, in consultation with NBL, value the assets and reckon the liabilities of NBL in the manner prescribed in the Scheme. PNB shall discharge the liabilities of NBL and make payment to the creditors and depositors in the manner specified in the Scheme. As regards payment to depositors, Scheme, inter-alia, provides that in respect of every savings bank account, current account or any other deposit account, including the interest to the extent payable under the scheme, the transferee banks shall open with itself a corresponding and similar account and credit the full amount including interest in respect of each of the accounts;

(vi) All the employees of NBL shall continue in service and be deemed to have been appointed in PNB at the same remuneration and on the same terms and conditions of service as were applicable to them before the amalgamation.

Investment climate for NRIs

664. DR. T. SUBBARAMI REDDY:
SHRI RUMANDLA RAAMACHANDRAYYA:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are considering a slew of policy measure to create an attractive investment climate for Non-Resident Indians and PIOSs;

(b) if so, whether the proposals are being considered including issuing of special infrastructure bonds, removing restrictions on repatriation of profits, and setting up of exclusive special economic zones;

(c) if so, the measures Government propose to take to attract NRIs and PIOs to their roots and involve them in social and economic development of the country; and

(d) by when final decision in this regard is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d)